

Incoming
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**BLM - Cedar City Field Office
Phone Conversation Record**

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AUG 27 2013

Div. of Oil, Gas & Mining

Date: August 27, 2013

Time: 1:30 pm

Persons Involved:

Ed Ginouves, BLM CCFO
Kelly Cropper, owner, Red Emerald Inc., 702-292-4009

Background: The former owners of Red Emerald Inc., Marlo Cropper and Earle Foster, passed away in May 2012 and April 2013, respectively, and their ownership interest in the claims/mine site have passed to Marlo's son, Kelly Cropper and Earle's granddaughter, Heidi Pinion. Ms. Pinion resides in Alaska. Her contact info is h.pinion@hotmail.com, 907-244-9516.

Conversation Notes (by Ed Ginouves):

I called Mr. Cropper to get a status update on the Red Emerald mine site. I told Kelly that there were no current noncompliance issues but I was interested in knowing what the current owners plans were for the property.

Kelly and Heidi are still taking care of legal details associated with the passing of the former owners. They are not adversarial co-owners, but there is no firm plan as how to proceed with the future management of the property. The sale of the property (including the sale of Kelly's interest to Heidi) is a possibility, provided the right price can be obtained. Heidi is planning on visiting the property soon with some mining professionals to assess the possibilities. Kelly last visited the site in April/May.

Clay Holman, who has mined on the site intermittently, is no longer authorized to be on the site. Apparently Mr. Holman's dealings with Marlo were not entirely on the up and up and he is no longer welcome on the property. Mr. Holman has divorced since I last saw him on the mine site in 2011 and has moved to Arizona. His ex-wife is operating the trilobite mine.

I encouraged Kelly to keep the gate locked and secured as the site was an ongoing attraction/temptation to specimen collectors. Recovery of valuable crystals from the upper pit area would be difficult at best without vehicle/equipment access to the mine area and the gate on the access road is the best way to control that access.